

# HOUSING AND REDEVELOPMENT AUTHORITY OF THE CITY OF SAINT PAUL, MINNESOTA

REPORT TO THE COMMISSIONERS

DATE: SEPTEMBER 28, 2011

**REGARDING: RESOLUTION APPROVING ACQUISITION OF PARK PARCEL FROM CITY OF SAINT PAUL, AND RATIFICATION OF EARLIER HRA ACTION TO SELL PARK PARCEL TO FRIENDS OF NOVA ACADEMY, DISTRICT 9**

## **Requested Board Action**

Request the Housing and Redevelopment Authority Board of Commissioners to approve the acquisition of the Park parcel in Victoria Park from the City of Saint Paul, and ratify the decision made by the HRA Board on August 10, 2011 to sell that parcel to Friends of Nova Classical Academy (the "Developer").

## **Background**

The HRA Board, in Resolution PH 11-1011, authorized the sale of several vacant parcels, along with to-be-vacated rights of way, to the Developer in order to build a new 86,000 square foot facility for Nova Academy (see Attachment B). The parcels are located in Victoria Park, adjacent to the recently-acquired Exxon property that is currently being cleaned up for future use as City parkland. A subsequent title search of these parcels turned up evidence that the parcel labeled "Park" is in fact owned by the City of Saint Paul and not the HRA. The Park parcel, which is 9,425 square feet with an appraised value of \$94,250, had been donated to the City for park purposes as part of the Victoria Park plat.

On October 5, 2011 the City Council will consider a resolution authorizing the disposal of the Park parcel, following the guidelines set forth in Section 13.01.1 of the City Charter. The HRA will either: 1) pay appraised value for the Park parcel; 2) swap an HRA-owned parcel at 1057 Marshall Avenue, which is part of the Jimmy Lee Rec Center parking lot, provided this parcel is of equal value to the Park parcel; or 3) swap 1057 Marshall Avenue and provide the amount of additional cash needed to provide appraised value.

Transferring the Park parcel to the HRA is necessary to allow the Nova Academy project to move forward. The Developer was previously granted tentative developer status for this site by

the HRA Board on May 25, 2011. The development site is located in a TN3 zoning district, with all of Nova's proposed land uses permitted. See Attachment D for a demographic profile of District 9, the Saint Paul planning district in which the Property is located. No existing businesses will be displaced or relocated as a result of this project, and there was no land acquisition that took place as a result of eminent domain.

**Budget Action**

HRA budget will be amended, if necessary, when ultimate disposition and value of 1057 Marshall Avenue has been determined by future HRA Board action.

**Future Action**

The Saint Paul City Council will have to approve the disposition of the Park parcel on October 5, 2011. The HRA Board will hold a public hearing to consider the disposition of 1057 Marshall Avenue at its earliest opportunity.

**PED Credit Committee Review**

PED Credit Committee was informed of the acquisition of the Park parcel at its meeting on September 26, 2011.

**Compliance**

Not applicable.

**Green/Sustainable Development**

Not applicable.

**Environmental Impact Disclosure**

Not applicable.

**Historic Preservation**

Not applicable.

## **Public Purpose**

This acquisition of the Park parcel will allow the Nova Academy project to move forward. The project, which is consistent with the District 9 Plan, the Victoria Park Master Plan, and the Land Use Plan, will:

- retain 57 FTE jobs, and create 25 new FTE jobs;
- create new construction jobs;
- retain and support a high-performing, very popular educational institution in Saint Paul; and
- continue development activities in Victoria Park. The activity and vitality that Nova will bring to the neighborhood will help with future development of the adjacent vacant land.

## **Recommendation:**

HRA Executive Director recommends approval of the attached Resolution, authorizing the acquisition of the Park parcel from the City of Saint Paul, and ratifying the HRA Board's earlier decision to sell this parcel and adjacent parcels to Friends of Nova Classical Academy for the purpose of building a new \$15 million school for Nova Classical Academy.

**Sponsored by: Commissioner Thune**

**Staff:** Martin Schieckel 651-266-6580

## **Attachments**

- **Attachment A – Resolution**
- **Attachment B – HRA Property**
- **Attachment C – Map/Address of Project**
- **Attachment D – Census Facts**